



B Communications Ltd.

(the "Company")

September 27, 2026

To:

Israel Securities Authority

Via MAGNA

To:

Tel Aviv Stock Exchange Ltd.

Via MAGNA

Dear Sir or Madam,

Re: Interim Distribution in Connection with Voluntary Liquidation Proceedings

Further to the approval by the general meeting of the Company's shareholders on December 17, 2025 of the Company's voluntary liquidation, the appointment of Mr. Tomer Raved, the Company's Chief Executive Officer (the "**Trustee**"), as trustee for the implementation of the liquidation proceedings, including his authorization to make an interim distribution to the Company's shareholders, and further to the approval by the general meeting of the Company's shareholders on August 26, 2026 to vest in the Trustee all powers granted to the Company's Board of Directors and Chief Executive Officer, the Company hereby announces that, on September 27, 2026, prior to the completion of the liquidation proceedings, and after determining that doing so would not prejudice the orderly conduct of the voluntary liquidation proceedings, the Trustee resolved to make an interim cash distribution in the aggregate amount of NIS 34.7 million (the "**Distribution**").

Additional details regarding the Distribution are set out below:

1. The securities entitled to participate in the Distribution are the Company's ordinary shares, ISIN No. 1107663. Based on the Company's issued and paid-up share capital, the amount of the Distribution per security is NIS 0.33 per share.
2. The record date for the Distribution (ex-date): October 6, 2026.
3. The payment date of the Distribution: October 13, 2026.
4. The Distribution that is the subject of this report is being made in connection with the Company's voluntary liquidation proceedings and is therefore classified as a capital gain. The Distribution is expected to constitute the final

distribution to the Company's shareholders. Accordingly, the withholding tax rates applicable to the Distribution are as follows:

Classification	Portion of Interim Distribution	Individuals	Companies	Foreign Residents
Distribution classified as capital gain	100%	25%	23%	0%

5. Additional details regarding the Trustee's resolution to make the Distribution:

The Trustee reviewed the Distribution and determined that it would not prejudice the orderly conduct and completion of the liquidation proceedings, *inter alia*, in light of the fact that no proofs of debt have been filed and based on the estimated operating expenses required until the completion of the voluntary liquidation proceedings.

For the orderly conduct of the voluntary liquidation proceedings, and following the foregoing review, the Trustee determined that the approximately NIS 19 million that will remain in the Company's cash reserves after the interim Distribution is made will be sufficient to pay the Company's remaining liabilities and anticipated operating expenses through the actual completion of the voluntary liquidation proceedings. In light of the foregoing, it may be assumed that the interim Distribution described in this report will constitute the final distribution to the Company's shareholders in connection with the voluntary liquidation proceedings.

It is noted that the foregoing data and estimates on which the Trustee relied constitute forward-looking information, as defined in the Israeli Securities Law, 5728-1968. Such expectations and estimates may not materialize, in whole or in part, or may materialize differently than anticipated, *inter alia*, due to reliance on external factors beyond the control of the Company or the Trustee.

Sincerely,

B Communications Ltd.

By: Tomer Raved, Trustee for the Liquidation Proceedings